

CHAPTER NO. 598

SENATE BILL NO. 2629

By Henry, Dixon

Substituted for: House Bill No. 2819

By Kisber

AN ACT To amend Tennessee Code Annotated, Title 9, Chapter 9, relative to general obligation debt.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 9-9-102, is amended by deleting the section in its entirety and by substituting instead the following:

9-9-102. The Commissioner of Finance and Administration shall maintain, or cause to be maintained, records that shall show payments made into and disbursements made out of the state debt service fund.

SECTION 2. Tennessee Code Annotated, Sections 9-9-107, 9-9-108, 9-9-109 and 9-9-110 are amended by deleting the sections in their entirety and by substituting instead the following:

9-9-107. The State Funding Board shall provide for the payment of the principal of and interest on all obligations issued under the provisions of this chapter, and other obligations issued in anticipation thereof as authorized by law, as the same shall become due, out of revenues and funds available for such purposes. All funds paid to the State Funding Board under the provisions of this chapter shall be dedicated to and applied solely to such purposes or as otherwise specified in this chapter.

9-9-108. The State Funding Board may:

(1) deposit funds and revenues paid to it in the pooled investment fund authorized by § 9-4-603 or in a deposit account at a bank or trust company located within or without the State of Tennessee, which will give such security for such deposit of the kind and type now required by law for the deposit of other state funds; or

(2) transfer cash, pending its application to the payment of the principal of or interest on the outstanding obligations of the state, into a fiduciary or trust account with a bank or trust company located within or without the State of Tennessee, under terms as the board may require to ensure the safety of the funds.

9-9-109. The State Funding Board is expressly authorized to contract with a bank or trust company located within or without the State of Tennessee to act as a custodian for securities held by or for the benefit of the board, including collateral pledged pursuant to Section 9-9-108(1), under terms as the board may require to ensure the safety of the securities.

9-9-110. Cash in the hands of the State Funding Board not immediately required for the payment of the principal of or interest on outstanding obligations

of the state and held as provided by Section 9-9-108 may be invested, in the board's discretion, in general obligation debt of the State of Tennessee or in any other obligations which are legal for the investment of funds of the State of Tennessee, with such yield and maturity as determined by the board after consultation with the state treasurer.

SECTION 3. Tennessee Code Annotated, Section 9-9-114, is amended by deleting the section in its entirety and by substituting instead the following:

9-9-114. The secretary of the funding board shall keep, or cause to be kept, appropriate records concerning the payment of obligations of the state issued under the provisions of this chapter, including information regarding items redeemed.

SECTION 4. Tennessee Code Annotated, Section 9-9-119, is amended by deleting the section in its entirety and by substituting instead the following:


9-9-119. The Commissioner of Finance and Administration shall keep, or cause to be kept, appropriate records showing the amount of interest due on the obligations of the state issued for any purpose; and shall cause records to be kept so as to furnish satisfactory information as to the condition of the state's indebtedness at the end of each fiscal year.

SECTION 5. Tennessee Code Annotated, Section 9-9-301(a), is amended by deleting the phrase "not exceeding thirty (30) days from the date of issuance of the original note or notes," in the second sentence.

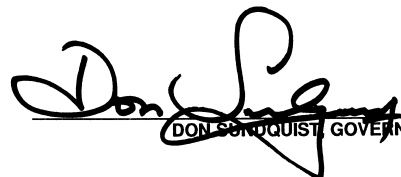
SECTION 6. This act shall take effect upon becoming law, the public welfare requiring it.

PASSED: March 15, 2000


JOHN S. WILDER
SPEAKER OF THE SENATE


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 21st day of March 2000


DON SUNDQUIST, GOVERNOR